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Testimony on:

Kansas Health Policy Authority Update

presented to:

Joint Committee on Health Policy Oversight

by:

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Kansas Division of Health Policy and Finance Robert M. Day, Director

Joint Committee on Health Policy Oversight April 28th, 8:00 am

Kansas Health Policy Authority Update

Thank you to Chairman Neufeld, Vice Chair Barnett, and the entire Committee for inviting me here this morning to provide an update on Kansas Health Policy Authority (KHPA) activities.

I am pleased to report that we have made significant progress since I last presented to the oversight committee two months ago. Some of the highlights include: selecting our general counsel; drafting the KHPA bylaws, which will be finalized at our next board meeting; selecting a Vice Chair, Ms. Connie Hubbell; advancing a charter statement for a data consortium to advise the board on data issues; determining a plan for a baseline analysis of health spending and health indicators; beginning a study on comprehensive Medicaid reform for the state of Kansas; and developing a process to ensure stakeholder participation for health issues – including subsequent recommendations that the Board will make to the legislature regarding mental health and long term care programs. In addition, the board is continuing an education process to ensure that we will be ready to oversee the day to day operations of the various programs within our jurisdiction as of July 1 this year.

I was asked to speak with you regarding a number of specific issues, as outlined below.

First, I have been asked to describe the Health Policy Authority Board's perspective on legislation passed this session or still being considered by the legislature which impacts the KHPA. Although the board has been following the work of the legislature this session, we determined that we would not take a formal position on any legislation until we were able to put a process in place to thoughtfully weigh in on issues important to the Authority. We are currently working with our general counsel to do just that. Having said that, I would like to mention that during the strategic planning retreat and in subsequent meetings the Board has offered support for the current initiatives underway in the Division of Health Policy and Finance.

Second, I have been asked to describe any organizational changes taking place July 1. As many of you may be aware, Dr. Robert Day, who serves as the interim executive director of the HPA will be leaving on June 16 of this year to join his wife in Pennsylvania and be reunited with his sailboat. Dr. Day has provided many years of dedicated public service to the state, and he has played a crucial role in the successful transition of health care programs into the Division of Health Policy and Finance and subsequently the Health Policy Authority. Bob hired Dr. Andy Allison, formerly with the Kansas Health Institute, to serve as his deputy director. Dr. Allison has already proved to be a tremendous asset to the Authority, and he will play an essential role in ensuring further successful transition upon Dr. Day's departure. I have tasked a subcommittee of Board members, headed by Ned Holland, to conduct a search for the next executive director and plans are already in place with area search firms to find the most qualified individual to ensure that the Authority meets and indeed exceeds the expectations of Kansans.

Third, I have been asked to update you on the status of any Memoranda of Understanding (MOU) being considered by the HPA. Attached to this testimony is the draft MOU that has been approved by the Board for signature once the budget process has been finalized. The MOU will describe the agreement between the Department of Administration and the Health Policy Authority regarding the provision of some administrative,

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legal, and information technology services. With this agreement in place, the Authority will be ready to assume responsibility for the important health programs described in statute.

Finally, I was asked to provide any other information that would be useful for the Committee to have. I want to take this opportunity to respond to a two-part question posed by Senator Roger Reitz on March 1st. First, the Senator was interested in knowing how many dentists currently practice in the state of Kansas, and how many of them serve Medicaid beneficiaries. Per the American Dental Association, in 2003 – the most current data available – there were 1,397 dentists practicing in the state. According to the state Medicaid program, the total number of "enrolled dental providers for Title 19 Medicaid" as of November 2005 was 506. Assuming no decline in total number of dental providers since 2003, approximately 36% of licensed working dentists in Kansas were enrolled dental providers for Medicaid beneficiaries last year. In terms of the S-CHIP program, or Title 21, the total number of "enrolled dental providers for Title 21 SCHIP" as of November 2005 was 367, or 26%

Senator Reitz was also interested in knowing the extent to which health reform was being considered at a national level, and how we interact with our federal delegation on important health policy issues. I was in Washington, DC at the beginning of this week and met with our entire delegation – either meeting with the member directly or through staff. I described the legislation that created the Health Policy Authority and our intent to improve the health and health care of Kansans through improved health policy. I also described my wish to work more closely with them in order to better serve our state. I intend to continue this dialogue with our federal policymakers and appreciate your advice and counsel on ways in which we can partner with our delegation.

This concludes my testimony. I am happy to take any questions at this time.

Marcia Nielsen, PhD, MPH Chair, Kansas Health Policy Authority Board